

Message Text

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ORIGIN EB-07

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DRAFTED BY EB/IFD/OIA:RDKAUZLARICH:ME
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FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS

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E.O. 11652: N/A

TAGS: EINV, ELAB, OECD, BE

SUBJECT: BADGER BELGIUM CASE

REF: BRUSSELS 4145 AND PREVIOUS

1. DEPARTMENT OFFICERS HAVE SPOKEN WITH GUSTAV WUNDER
BADGER VP, RE SETTLEMENT OF BADGER BELGIUM'S TERMINATION
PAY CLAIMS. WUNDER EXPRESSED PLEASURE WITH THE AGREEMENT
REACHED APRIL 21 AND NOTED THE POSITIVE ROLE THAT EYSKENS
HAD PLAYED IN BRINGING THIS PROBLEM TO A SUCCESSFUL
CONCLUSION.

2. WE DO REMAIN CONCERNED ABOUT LINGERING EFFECTS OF THE
ROUGH TREATMENT ACCORDED BADGER DURING THE NEGOTIATIONS,
ESPECIALLY THE UNSPECIFIED AND VAGUE REFERENCES TO "IRREG-
ULARITIES" IN THE CONDUCT OF BADGER OPERATIONS WHICH
APPEARED IN THE EUROPEAN TRADE PRESS. DESPITE THESE
TACTICS, BADGER HAS SHOWN ITS WILLINGNESS TO NEGOTIATE
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AND REACH A SETTLEMENT. THIS EXPRESSION OF CORPORATE
RESPONSIBILITY SHOULD BE MATCHED BY THE BELGIUM GOVERNMENT
WITH EFFORTS TO CLEAR THE AIR REGARDING BADGER'S CONDUCT
WHICH IS NOW SUSPECT BECAUSE OF THE MISLEADING PRESS
COVERAGE.

3. CHARGE SHOULD CALL ON EYSKENS AND MAKE THE FOLLOWING

POINTS:

-- WE WELCOME THE AGREEMENT THAT HAS BEEN REACHED AND APPRECIATE THE CONSTRUCTIVE ROLE OF THE BELGIAN GOVERNMENT IN BRINGING THE NEGOTIATIONS TO A SUCCESSFUL CONCLUSION.

-- WE REGRET, HOWEVER, THAT BADGER'S GOOD NAME HAS BEEN CALLED INTO QUESTION BY UNFOUNDED ACCUSATIONS MADE IN THE EUROPEAN TRADE PRESS REGARDING "IRREGULARITIES" ASSOCIATED WITH BADGER'S ACTIVITIES AND THESE NEGOTIATIONS.

-- CLEARLY IN LIGHT OF THE SETTLEMENT, BADGER HAS SHOWN THAT IT HAS BEHAVED IN A RESPONSIBLE FASHION, AGREEING TO BRING ADDITIONAL FUNDS INTO BELGIUM TO SETTLE THE PAY CLAIMS.

-- IN ORDER TO CLEAR BADGER'S NAME AND TO SET THE RECORD STRAIGHT, WE BELIEVE IT WOULD BE APPROPRIATE FOR THE BELGIAN GOVERNMENT TO TAKE SUITABLE OPPORTUNITIES TO INDICATE ITS SATISFACTION AT THE OUTCOME OF THE NEGOTIATIONS AND ITS BELIEF THAT BADGER CONDUCTED ITSELF IN A RESPONSIBLE FASHION. IN THAT REGARD, A LETTER FROM YOU TO BADGER CONVEYING THIS MESSAGE WOULD BE MOST WELCOME.

-- SUCH A STATESMAN-LIKE GESTURE ON YOUR PART WOULD BE WELCOMED BY THE FIRM AND ASSIST IT IN REHABILITATING ITS REPUTATION WHICH HAS BEEN UNJUSTLY DAMAGED BY UNSUBSTANTIATED CHARGES. CHRISTOPHER
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Copy: SINGLE
Sent Date: 15-May-1977 12:00:00 am
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Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Date: 22 May 2009
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